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Counsel for Lexington Insurance Company

UNITED STATES BANKRUPTCY COURT
DISTRICT OF WYOMING

In re:) Chapter 11
)
POWELL VALLEY HEALTH CARE, INC.) Case No. 16-20326
)
Debtor-in-Possession)

**MOTION TO VACATE AND CONTINUE HEARING SET FOR
APRIL 5, 2017 ON INSURANCE COMPANIES' JOINT MOTION FOR
RELIEF FROM THE AUTOMATIC STAY**

COME NOW Lexington Insurance Company (“**Lexington**”) on behalf of itself and UMIA Insurance, Inc. (“**UMIA**”) and Homeland Insurance Company of New York (“**Homeland**”) (collectively, the “**Insurance Companies**”), each a party in interest in the Debtor’s Chapter 11 case, for this Motion to Vacate and Continue (the “**Motion**”) the Hearing set for April 5, 2017, at 2:00 p.m. (the “**Hearing**”) on the Insurance Companies’ Joint Motion for Relief From Automatic

Stay to Permit Prepetition Litigation to Continue in the United States District Court for the District of Wyoming (Docket No. 354) (the “**Stay Relief Motion**”) and all pleadings filed in opposition thereto (Docket Nos. 373 and 374). In support of the Motion, the Insurance Companies state as follows:

1. Since filing its Stay Relief Motion on October 31, 2016, the Insurance Companies and the Debtor have participated in meaningful discussions regarding the relief sought in the Stay Relief Motion. Moreover, the Debtor has recently stated that

[T]he Debtor and the UCC are currently in the process of drafting, reviewing and revising an agreed upon Disclosure Statement, Plan and Plan related documents. The undersigned believes that the Debtor may file its Disclosure Statement and Plan as early as April 10, 2017.

(Docket No 478 at ¶1)

2. The Court has set the Hearing for the Stay Relief Motion for April 5, 2017 (Docket No. 458).

3. The Court has also set a Hearing on the Debtor’s Motion for Authorization to Conduct Rule 2004 Examination of the Malpractice Insurance Companies (the “Rule 2004 Motion”) for April 5, 2017 (Docket No. 454). Today, the Debtor has moved to vacate the Hearing on the Rule 2004 Motion for approximately thirty (30) days. (Docket No. 478).

4. The issues to be heard at the Hearing on the Stay Relief Motion are inextricably intertwined with the Debtor’s Rule 2004 Motion.

5. The Insurance Companies believe that the interests of all parties, including the Debtor, would be best served by continuing the Hearing on the Stay Relief Motion, for

approximately thirty (30) days so that the Stay Relief Motion may be heard in tandem with the Rule 2004 Motion.

6. Accordingly, the Insurance Companies request that the Hearing on the Stay Relief Motion be vacated and continued to approximately thirty (30) days.

7. Counsel for Lexington has conferred with counsel for UMIA and Homeland who have granted authority to the undersigned to file this Motion on their collective behalf.

WHEREFORE, the Insurance Companies respectfully request the Court enter an order substantially in the form attached hereto at **Exhibit A** which: (1) vacates the Hearing set for April 5, 2017 and continues the Hearing on the Stay Relief Motion for approximately thirty (30) days to be heard in tandem with the Rule 2004 Motion.

Dated: New York, New York
April 4, 2017

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CERTIFICATE OF SERVICE

The undersigned certifies that on April 4, 2017, a copy of the foregoing was served *electronically* upon those parties indicated below:

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<u>Debtor:</u> Bradley T. Hunsicker (Wyo. Bar 7-4579) Markus Williams Young & Zimmermann LLC 106 East Lincoln way, Suite 300 Cheyenne, WY 82001 Telephone: 307-778-8178 bhunsicker@markuswilliams.com	<u>Attorneys for Official Committee of Unsecured Creditors:</u> Scott J. Goldstein Philip A. Pearlman Jamie N. Cotter Spencer Fane 1000 Walnut Street, Suite 1400 Kansas City, MO 64106 1700 Lincoln Street, Suite 2000 Denver, CO 80203 sgoldstein@spencerfane.com jcotter@spencerfane.com ppearlman@spencerfane.com

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